

What is a Brownfield? and.... Do I have One????

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What is a Brownfield?

Real property of which the expansion, redevelopment, or reuse may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. (Public Law 107-118 (H.R. 2869) - "Small Business Liability Relief and Brownfields Revitalization Act" signed into law January 11, 2002)

Brownfields in the U.S.

- Estimated 450,000 to 1 Million sites
- 5 million acres of abandoned industrial sites in U.S. cities – roughly the same amount of land occupied by 60 of the largest U.S. cities

U.S. Department of Housing and Urban Development

Brownfield Examples

- Abandoned gas stations
- Abandoned grain elevators
- Former manufacturing facilities
- Abandoned properties next to rail lines
- Former school buildings
- Abandoned residential properties next to industrial facilities
- Vacant residential lots

Typical Brownfield



Abandoned Service Station

Typical Brownfield



Abandoned Service Station

Typical Brownfield



Grain Storage Facilities/Coops found throughout rural areas

Brownfield?



Brownfields on Main Street?



Brownfield?



Brownfield?



Abandoned Residential Lot

Typical Brownfield



Former Drive-In

Brownfield?



Abandoned School Building

Industrial Blight





Why Redevelop Brownfields?

- Desirable locations
- Increases local tax base
- Improves community image
- Mitigates blight
- Mitigates public health and safety concerns
- Reduce the need to develop greenfields
- Uses existing infrastructure (cost savings)



Kansas City Terminal Railway



Kansas City Terminal Railway





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Atchison, KS (pop.16.481)





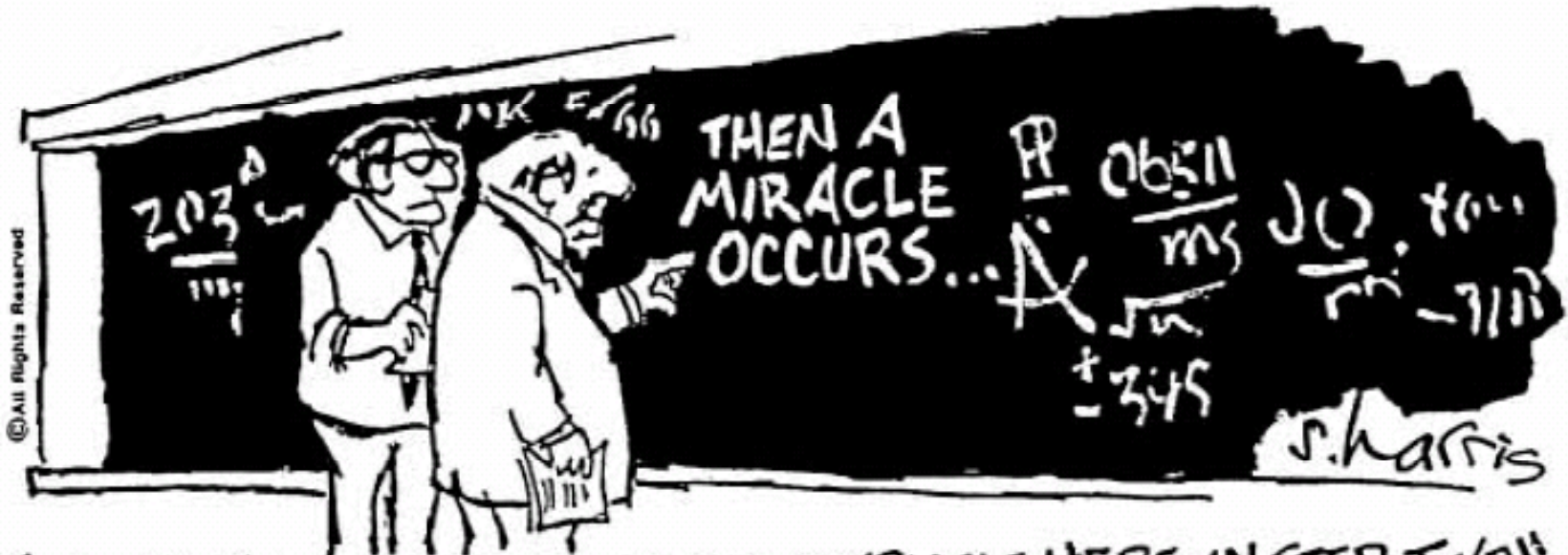
Atchison Funding Breakdown

- Federal DOT Congressional Earmark, through KDOT: \$1M
- KDOT Transportation Enhancement Program: \$604,821
- Economic Development Administration: \$409,100
- KS Department of Wildlife and Parks: \$300,00
- HUD EDI Special Project Congressional Earmark: \$281,657
- EPA Brownfields Assessment grant: \$200,000
- KDHE BTAs (3): \$40,000
- Kansas Water Office: \$50,000
- **Total Federal and State: \$2.8 M**

Often it is the PERCEPTION of contamination that keeps properties from being redeveloped, not the actual presence of contamination.

Once the “stigma” is gone, properties can be returned to productive use.





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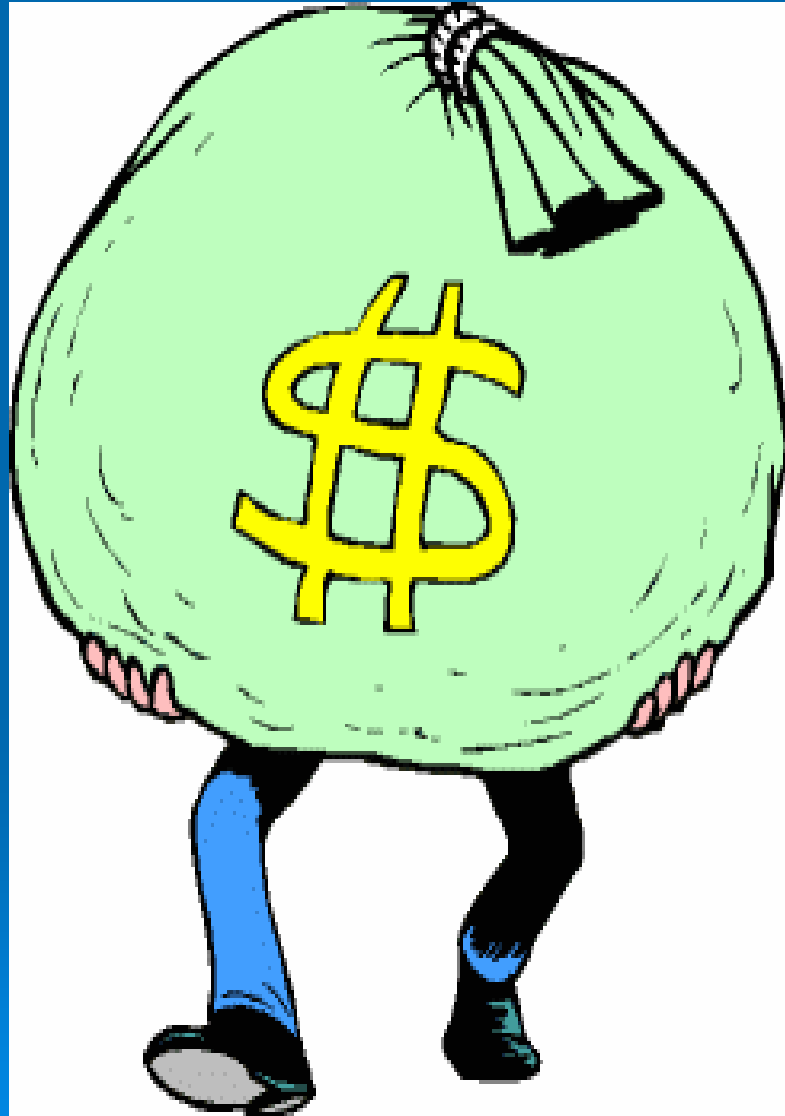
"I THINK YOU SHOULD BE MORE EXPLICIT HERE IN STEP TWO."



BF Process

- **Identify** the Brownfield
- **Investigate** – Phase I/II site assessments
- **Clean-up**, if necessary
- **Redevelop**







Financing Programs: A Federal “Laundry List”

What’s Been Used in Brownfield Reuse Financing Packages?

Loans

- EDA capital for local revolving loan funds
- HUD funds for locally determined CDBG loans and “floats”
- EPA capitalized revolving loan funds
- SBA’s microloans
- SBA’s Section 504 development company debentures
- EPA capitalized clean water revolving loan funds (priorities set/ programs run by each state)
- HUD’s Section 108 loan guarantees
- SBA’s Section 7(a) and Low-Doc programs
- USDA business, intermediary, development loans

Grants

- HUD’s Brownfield Economic Development Initiative (BEDI)
- HUD’s Community Development Block Grants (for projects locally determined)
- EPA assessment, cleanup grants
- EDA public works and economic adjustment

Grants (*continued*)

- DOT (various system construction, preservation, rehabilitation programs)
- Army Corps of Engineers (cost-shared services)
- USDA community facility, business and industry grants

Equity capital

- SBA Small Business Investment Cos.

Tax incentives and tax-exempt financing

- Targeted expensing of cleanup costs
- Historic rehabilitation tax credits
- Low-income housing tax credits
- Industrial development bonds
- Energy efficiency construction credits

Tax-advantaged zones

- HUD/USDA Empowerment Zones
- HUD/USDA Enterprise Communities

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